

Voluntary - Public

Date: 03-08-2009

GAIN Report Number: CI9016

Chile

Post: Santiago

Planting Seeds Voluntary Report

Report Categories:

Planting Seeds

Approved By:

Joseph Lopez, Agricultural Attaché

Prepared By:

Luis Hennicke, Agricultural Specialist

Report Highlights:

The planting seed industry reaches record export value of US\$263 million during the first 6 months of 2009. This is a 43 percent increase over the same period last year in value and a 17.4 percent in volume.

General Information:

The seed production industry has had during the last years a significant expansion which is expected to continue during this year in spite of the general slowdown observed in the agricultural sector. Exports have expanded in volume and value 17 and 43 percent respectively when compared to the same period last year.

An industry source indicated that the seed industry has been expanding 12 percent yearly; as a result the whole seed industry reached a record export level of US\$330 million in CY2008. For 2009 total exports are expected to be US\$380 million. He also added that since seed production is based on contracts signed with producers for a year, the devaluation of the dollar during the first

half of 2009 will have no effect in the volume of production during this season, but economic returns could be affected negatively. If the devaluation of the dollar against the peso continues and economic returns are affected the industry will have difficulties in signing production contracts with farmers during next production season.

In the domestic and export market the total production value of the seed industry is estimated to be US\$500 million a year.

TABLE: Chile - Total Exports of the main planting seed varieties
(In Thousand US dollars)

TABLE: Chile - Total Exports of selected planting seed varieties
(In Thous. US dollar)

	CY2007	CY2008	CY2009 *
Corn	116.003	173.154	153.643
Flower	14.283	14.907	9.876
Sunflower	9.661	10.451	10.489
Tomatoes	5.460	7.390	6.954
Clover	4.020	3.321	3.384
Beans	3.150	4.681	3.684
Alfalfa	1.026	2.881	201
Other Forages	439	201	144

Note: * Jan-June only

Source: Ministry of Agriculture